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**Multi-country programme outline for the Cook Islands,
Niue and Tokelau (2003-2007) ***

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* The collection and analysis of current data required to present the Executive Board with the most up-to-date information has delayed submission of the present document.



I. Introduction

1. The previous individual country cooperation frameworks (CCFs) for the Cook Islands, Niue and Tokelau covered the period 1998-2002. Through consultation with UNDP headquarters and the respective Governments of these three countries, it has been agreed to approach the new country programme outline formulation process, 2003-2007, in a clustered fashion for the sake of simplification and efficiency. In addition, this approach will facilitate multi-country or sub-regional programming for the three countries and is a step towards developing a more integrated, effective and coherent programme for all three countries, with strategic focus on programme areas where UNDP has an advantage. It should be noted that these programme areas are fully in line with the priorities identified by the Governments concerned in their development strategies and the outline itself has been developed in consultation with respective Governments. Owing to the uneven membership of the countries in many United Nations agencies, a common country assessment/United Nations Development Assistance Framework (CCA/UNDAF) exercise was not deemed to be practical. However, through the mechanism of the United Nations Resident Coordinator, based in Apia, Samoa, country-level United Nations agency activities will be carefully coordinated, in close collaboration with the Governments concerned.

II. Situation analysis

2. *General trend.* The three countries are performing relatively well towards achievement of the Millennium Development Goals (MDGs). There are no slum areas. The percentages of children under the age of five years who are underweight are very low, which means working parents are earning enough to maintain healthy diets for young children. There are high net primary and secondary school enrolment ratios, with a good mixture of female and male enrolment in the age range of 5-14 years. All three countries show infant mortality rates that are below the MDG indicators. Both the Cook Islands and Niue show very positive performances against maternal health indicators, while Tokelau, which shows 170 deaths per 100,000 live births, will need to take more positive measures to reduce the rate. The three countries have reported zero prevalence of

HIV/AIDS; however, in all three, raising public awareness is a high priority in order to reduce the risk of possible infection among their highly migratory populations. Environmental MDG sustainability indicators need to be further strengthened. Protection of vulnerable habitats, anti-pollution measures, climate change measures, sustainable use of land and marine resources and conservation are high priorities. All countries have access to energy, mostly through diesel-based power systems. However, alternative energy options need to be considered seriously in order to minimize carbon dioxide emissions and reduce reliance on imported fuel. The global partnership goal that deals with issues regarding good governance and accountability in relation to development and poverty reduction is an area where ongoing work is needed and is a stated goal of each country. The utilization of information and communication technologies (ICTs) varies among the countries, but generally access is very expensive, thus limiting the promotion of ICT for development. Bridging the gap is a high priority, as recognized by the Pacific Islands Forum Communications Ministers Meeting in early 2002.

3. *The Cook Islands.* Since the mid-1990s, the Cook Islands have undergone a stringent process of reform and change to revive the country from an economic recession that hit it in the mid-1990s. The economy of the Cook Islands is based mainly on a robust tourist trade built around the black pearl industry and natural beauty of its many scenic islands; agriculture; and offshore banking. It is the Government's intention to continue strengthening the public sector reform process in its subsequent development plans. According to a June 2001 Asian Development Bank (ADB) Pacific Studies Series report on policies for progress, threats to sustained economic growth in the future include: an emerging labour force shortage resulting from high and unabated rates of emigration; vulnerability to balance-of-payments problems, environmental sustainability issues, again particularly related to the tourism industry; emerging infrastructure constraints and weak policy, planning and project preparation mechanisms to ensure that domestic finance, foreign investment, and foreign assistance are effectively targeted to address these constraints. The unchecked outflow of Cook Islanders was most noticeable in the outer-islands, where rapid depopulation had caused a range of other problems related to accelerated rates of out-migration.

Efforts by the Government, with the help of international donors like UNDP to increase the capacity and resource levels of the Island Administrations were hampered by the slow production of enabling legislation and limited capacity for communication with the central Government and among themselves. ICT, where it exists, is reportedly very expensive to operate and maintain and therefore unaffordable. Yet, for the isolated medical centres, schools and businesses on the islands, ready communication is the key to effective decision-making and consultation at all levels. Therefore, in order to ensure the continuation and sustainability of the devolution process, the main priority will be to develop ICT for 11 outer-islands in order to reduce their isolation from the central Government and from each other, and increase accessibility to much-needed information on a range of governance and basic social services. Environmental issues centred on natural resource management and sustainable energy is also very important.

4. *Niue*. Niue continues to experience problems with depopulation due to out-migration of Niueans to New Zealand, mainly for schooling and higher paid job opportunities. Towards the end of 2001, the population figures had dropped to as low as 1,400 indigenous Niueans, compared to an estimated 18,000 Niueans living abroad, especially in New Zealand. The Niue Integrated Strategic Plan, 1999-2003, states that the problem of depopulation was one of the most important factors affecting the country, with all businesses being caught in a "downward spiral" caused by a lack of customers. According to top government sources, the two issues that have stood in the way of progress in Niue were the question of depopulation and the question of international transportation affecting Niue (sea and air). Unless these matters are addressed, the prospects for socio-economic growth in Niue remain severely constrained. A recent study (2002) on what factors determine a 'living community' in Niue has highlighted some possible areas where attention is needed in order to reverse the depopulation trend. The main priority areas of focus for the Government therefore are first, to find ways to implement effectively a "living community" programme which will include a review of land entitlement laws, and secondly, environmental protection. The utilization of ICT in both these endeavours has been underscored as an important stepping-stone. The continuous participation of the private and non-formal sectors in Niue's development needs to be supported and strengthened.

5. *Tokelau*. Tokelau's small size in area and population (approximately 1,500), the lack of significant natural resources, other than marine resources, and isolation from world markets all remain major constraining factors for the Territory's potential economic growth. Tokelau remains a Trust Territory of New Zealand, yet self-determination is still under discussion. Tokelau has embarked on an intensive reform of its public sector in order to bring about a merger between modern and traditional governing systems. The development of the resultant Modern House of Tokelau framework has been supported by the New Zealand Government through a series of amendments to Acts of Parliament governing public service policies and regulations. UNDP assisted through the Tokelau governance project, whereby governance policies set the framework for the two main nationally executed (NEX) projects in Tokelau, and also continue on the work that was started in Tokelau by the Tokelau Constitutional Development project. During the planning for the 2002-2005 period, at the government strategy meeting on the Sustainable Economic Development Plan in March 2002, it became clear that the Government's main focus would be on economic advancement starting with the commercial fisheries development priority. ICT for development is a critical issue for such an isolated country, and at the request of the Government, UNDP support actively seeks ways to assist with development in this area. Environment is an important issue, especially in relation to sea-level rise, coastal erosion, natural disasters, environmental preservation, conservation of biodiversity and renewable sources of energy. The Government is in dialogue with the Global Environment Fund (GEF) Executive to find ways of receiving support from various GEF programmes.

III. Past cooperation and lessons learned

6. *Governance*. All three countries have pursued national macroeconomic policies in the recent past aimed at strengthening public sector administrative capacity and increasing the productivity of the private sector as the engine of growth. With significant assistance from UNDP and ADB, the Cook Islands reform and devolution programmes have been very successful. The New Zealand Government has provided direct monetary support to government

administrations of up to 4-10 million New Zealand dollars per financial year.

7. Depopulation and macroeconomic growth. Macroeconomic growth has been severely restricted over the past few years due to a steady decline in population because of out-migration to New Zealand and, for Niue, limited access to the country by tourists. The New Zealand Official Development Assistance programme (NZODA) has provided direct funding to support personnel and programmes for the Niue Tourism Office (up to NZD\$250,000 per financial year), and UNDP had contributed to the now-regularized post of tourism trainer in the Niue Tourism Office. The main donors to Niue have been NZODA, AusAID (Australia's overseas aid programme), the Forum Fisheries Agency (FFA) and UNDP.

8. Sustainable development. For Tokelau, both NZODA and UNDP have been requested to focus their future assistance on economic development, for which careful collaboration is needed in order to ensure that Tokelau receives the maximum benefit. ADB has assisted the Government mainly in infrastructure works for the fisheries project. A close working relationship between NZODA, UNDP and all other partners is essential to the future success of Tokelau's progression towards self-determination. Both the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO) have contributed significantly to the education and health sectors, respectively. The Food and Agriculture Organization of the United Nations (FAO) has been a technical partner in primary production areas, and more recently involved in a business-scoping programme in Niue. UNFPA provides significant assistance to the Cook Islands and Niue in their reproductive health programmes. New Zealand supports the health system in Tokelau as it does in the other two countries.

9. Role and contribution of UNDP. As highlighted above, UNDP support to the three countries in the period 1998-2002 focused on democratic governance (Cook Islands and Tokelau), poverty reduction through private sector development (Niue) and building of sustainable livelihoods (Tokelau). The GEF Trust Fund has been supporting the Cook Islands and Niue in their enabling activities for meeting obligations under the global Biodiversity Convention. The two countries are also beneficiaries of the various

regional projects such as the International Waters project and the now-ended South Pacific Biodiversity and Conservation Programme. Gender, as a cross-cutting issue, has been integrated in all the assistance provided through the CCFs.

10. Lessons learned. A mid-term review of the individual CCFs for each country through a clustered country review in mid-2000 concluded that UNDP support in each country remained highly relevant. The main focus on governance, poverty eradication and sustainable livelihoods was fully in line with the strategic results framework (SRF). UNDP was maintaining a high level of strategic interventions in regard to the macro-policy spheres of development in key areas. Lessons from the review consistent throughout the subregion are:

- **Programme management.** Linkages with the regional programmes need to be strengthened, as this potentially can be a useful supplementary resource to the countries. Support for policy and programme development/support for technical services (SPPD/STS) resources should be utilized more strategically and concentrated rather than being used in an ad hoc fashion and over too many different topics. To counteract the dwindling TRAC (target for resource assignment from the core) resources, more creative programming arrangements should be explored, aimed at achieving synergies, reducing administrative overheads and fostering greater inter-country collaboration.
- **National execution.** The NEX modality was tested in the three countries with mixed results. One highlight that has emerged is the greater degree of ownership and increased level of self-confidence now exhibited by each country in decision-making, governing and aid coordination. However, on the down side, the greater demands of NEX procedures on limited human resources and untested accounting systems have shown that other modalities should be explored for assistance to Niue and Tokelau, while NEX can be maintained for the Cook Islands.
- **United Nations Volunteers.** The use of UNVs in country programmes has met with mixed success, and efforts will be made to ensure that this trend is reversed, thus enabling the countries to benefit from UNVs international experience and knowledge.

- **Resource mobilization.** The UNDP Country Office should strengthen its resource mobilization and coordination efforts to increase third-party cost-sharing and parallel financing arrangements to ensure that an appropriate level of funding is allocated for a sustainable impact of the interventions.

conventions, as well as propose innovative approaches to enhancing community access to productive natural resources for sustainable development in selected areas. Governments will also receive assistance in the implementation of resolutions and recommendations resulting from the World Summit on Sustainable Development (Johannesburg, 26 August-4 September 2002).

IV. Proposed programme areas

11. Based on the foregoing situation analysis, the lessons learned and consultations with Governments and development partners, UNDP support to the countries in this subregion will be focused on the following overarching strategic areas:

- **Poverty reduction and sustainable livelihoods.** The economic and social trends in the subregion strongly indicate the continued need for UNDP to deliver both upstream and downstream services to further reduce vulnerability to poverty. The assistance will be primarily focused on issues of globalization, reducing isolation, better access to social services, such as education and health, and the promotion of income-generating schemes. Advisory services for improvements in ICT, nurturing of the private sector through building of innovative partnerships with overseas markets, regional and global trade issues, food security and improved credit facilities, such as micro-finance schemes, will be the main ingredients of the assistance.
- **Good governance.** Considering emerging needs in good governance in the subregion as well as the global and regional comparative advantage of UNDP in the implementation of programmes in democracy and good governance, UNDP will deliver a variety of policy and programme services focused around e-governance and local government systems.
- **Environmental protection, renewable energy and resource management.** Building upon the strong competencies in advisory services, resource mobilization and strategic partnerships, UNDP will continue to assist the countries with high-level policy support and capacity-building in the formulation of national biodiversity, climate change and persistent organic pollutants strategies and action plans to meet obligations under global

V. Management arrangements

12. Since the beginning of 2000, UNDP has been undergoing a re-profiling process. As a result, the UNDP offices in the Pacific (Fiji, Samoa and Papua New Guinea) have been fundamentally restructured to build in-house expertise in national strategic areas, which can be supported by UNDP. Such expertise as the subregional resource facility (SURF) is organized around a global network of practitioners, facilitated and supported through an upgraded ICT infrastructure. The Samoa office will tap into this network of practitioners to provide the services in the above programme areas. It has already built up a strong expertise in the environment that will be further strengthened in the coming years. In the areas of poverty reduction and governance, the Country Office will continue its close collaboration with the Fiji office, which has built up expertise in these areas over the years.

13. To ensure efficiencies and synergies, as well as to acknowledge needs unique to its country, the programme will be implemented through a combination of country-based and subregional projects such as sustainable livelihoods and ICT. In addition, strong linkages will be established with the regional projects, particularly those that are based in the Pacific.

14. The results-based management approach used in the results and resources frameworks in (see annex) will ensure the accountability, measurability and sustainability of the proposed programmes. UNDP will develop a monitoring and evaluation plan as well as procedures, utilizing appropriate benchmarks and indicators, through which the effectiveness of the programmes will be assessed on a regular basis with the respective Governments and other stakeholders. Such procedures will include an annual multi-country review meeting, audits and evaluations.

Annex. Results and resources framework

A. The Cook Islands

<i>Strategic area of support</i>	<i>Intended outcome</i>	<i>Outcome indicator</i>	<i>Intended outputs</i>	<i>Resources (in thousands of US dollars)</i>
Objective 1: Economic and social policies and strategies focused on the reduction of poverty Access to, and utilization of, information and communication technologies (ICT)	Expanded collaboration between the public and private sectors to provide outer-island communities with access to ICT	- Estimated portion of the population with access to the Internet - National e-readiness assessment carried out - Estimated number of, and employment in, small-scale enterprises in the ICT sector - Number and volume of funding for public-private partnerships to extend the reach of ICT to poor communities	- E-readiness assessment conducted and results available - International UNV in ICT recruited - Training and workshops undertaken in ICT, business management, marketing, maintenance of IT hardware and software - New approaches to partnership building with the private sector in e-commerce	Regular: 100 SPDP/STS : 184 Other: Government cost-sharing: 13 Third-party cost-sharing: 30 Trust Funds ICT: 50
Objective 2: Creating an enabling environment for sustainable human development Social cohesion through development and other decision-making processes at the subnational level	- Planning and budgeting processes at sub-national level further strengthened to more effectively incorporate community-level perspectives, participation and needs in support of the outer islands - Local authorities and communities in outer islands involved in planning and management of development activities, including the provision of public services as part of the devolution process	- Existence of clear functioning mechanisms for improved planning and budgeting for outer-island development - Number of mechanisms that involve the input of outer-island communities in the local government representatives in the development of outer-islands projects - Number of development projects developed and proposed at local government level for support to the devolution process	- Strengthened planning and budgeting processes for improved outer-island development - Strengthened capacity of outer-island administrations and communities in project development, budgeting and monitoring of implementation of projects	Regular: 20
Objective 3: Sustainable management of natural resources Global environmental concerns and commitments integrated into national and development plans/programmes	Enhanced capacity of government and commitment to meet its obligations under global conventions	- Environmental considerations integrated into national development policies, strategies, programmes and projects - Objectives and targets of Biodiversity, Climate Change, Persistent Organic Pollutants and Desertification Conventions, as well as other global and regional conventions, integrated in national development planning and policy framework	- Increased number of UNDP-GEF projects approved - New approaches/strategies to enhance community access to productive natural resources for sustainable development in selected areas - Specific measures introduced to reverse environmental degradation and promote environmental protection - National Biodiversity, Climate Change and Persistent Organic Pollutants strategies and Action Plans formulated, agreed, approved and implementation initiated - Renewable energy integrated into national development agenda	Regular: 50 Other: Trust Funds: 200
Total resources				Regular: 354 Other: 293

B. Niue

Strategic area of support	Intended outcome	Outcome indicator	Intended outputs	Resources (in thousands of US dollars)
Objective 1: Economic and social policies and strategies focused on the reduction of poverty Access to, and utilization of, information and communication technologies (ICT)	- Policy, legal and regulatory framework reformed to substantially expand accessibility to ICT - An enabling environment created for the emergence of a local Internet-focused small and medium-sized enterprise (SME) service sector - Expanded collaboration between the public and private sectors to provide communities with access to ICT	- Estimated number and proportion of the population with access to the Internet, disaggregated by gender - A national e-readiness assessment carried out - Estimated number of, and employment in, small-scale enterprises in the ICT sector - Number of and volume of funding for public-private partnerships to extend the reach of ICT to communities - Number of small and medium-size rural and urban communities with access to ICT-based services (e.g., financial, marketing, news)	- Finalization of an ICT Policy and implementation strategy - Training and capacity-building in ICT - Recruitment of more United Nations IT Service (UNITES) volunteers - Private sector development initiatives with the non-formal sector pursued - New approaches developed to increase partnerships and networking with the private sector in e-commerce	Regular: 42 SPPD/STS: 128 Other: Government cost-sharing: 33 Third-party cost-sharing: 30 Trust Funds: 44 ICT:
Objective 2: Sustainable livelihoods Sustainable livelihoods	Access to information and technical advice facilitated to enhance small business development and trade in products from local micro-enterprises in order to increase income generation and sustainable livelihood opportunities	- Number of referrals to the business advisory service - Number of potential entrepreneurs assisted through the business advisory service - Number of small business enterprises set up and improved and number of trading opportunities exploited	- Local crafts and small businesses established - Strengthened Chamber of Commerce - Overseas niche markets identified - Partnerships with overseas trading companies established - Improved credit facilities	Regular: 48
Objective 3: Sustainable management of natural resources Global environmental concerns and commitments integrated into national and development plans/programmes	Enhanced government capacity and commitment to meet its obligations under global conventions	- Environmental considerations integrated into national development policies, strategies, programmes and projects - Objectives and targets of Biodiversity, Climate Change, Persistent Organic Pollutants and Desertification Conventions, as well as other global and regional conventions, integrated in national development planning and policy framework	- Increased number of UNDP-GEF projects approved - New approaches strategies to enhance community access to productive natural resources for sustainable development in selected areas - Specific measures introduced to reverse environmental degradation and promote environmental protection - National Biodiversity, Climate Change and Persistent Organic Pollutants Strategies and Action Plans. Renewable energy integrated into national development agenda	Regular: 50 Other: Trust Funds: 200
Total resources				Regular: 268 Other: 307

C. Tokelau

<i>Strategic area of support</i>	<i>Intended outcome</i>	<i>Outcome indicator</i>	<i>Intended outputs</i>	<i>Resources (in thousands of US dollars)</i>
Objective 1: Creation of an enabling environment for sustainable human development				
- Policy, legal and regulatory reform to support private sector development - Participation of women in development	- Increased standard of living due to greater earning capacity of local population, especially youth - Enhanced capacity among women to participate actively in village-level and national decision-making processes	- More young people employed in primary sector cottage business ventures, e.g., fish skin tanning, weaving, aquaculture; coconut oil production - More women involved in small business ventures - Assessment report on avenues to increase women's participation in village decision-making - Micro-finance scheme feasibility analysis completed	- Completed feasibility studies on business options - Recruitment of experts - Training and workshops held - Capacity-building and public awareness raising - Feasibility of a micro-finance scheme	Regular: 248 SPPD/STS: 189 Other: Government cost-sharing: 13 Third-party Cost-sharing: 20 Trust Funds: Poverty Reduction: ICT: 20
Objective 2: Sustainable management of natural resources				
Environmental concerns and commitments integrated into national and development plans/programmes	Enhanced government capacity and commitment to address energy and environment issues	- Environmental considerations integrated into national development policies, strategies, programmes and projects - Framework created for the sustainable development and use of renewable energy resources through institutional strengthening and demonstration activities	- New approaches/strategies to enhance community access to productive natural resources for sustainable development in selected areas - Specific measures introduced to reverse environmental degradation and promote environmental protection - Renewable energy integrated into national development agenda	Regular: 50 Other: Trust Funds: 50
Total resources				Regular: 487 Other: 103